



# Straight Talk

*Brought to you by the Nellis AFB Housing Privatization Office*

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## Nellis Housing Project Status

The success of Nellis's housing project is based on a long-term commitment between the Government and the selected private developer.

It's the responsibility of the Nellis Acquisition Support Team (AST) to select the developer who will provide the best housing and amenities for the most reasonable cost. The AST has been reviewing project proposals, and after careful consideration, they will make a selection. This is followed by notification to Congress, followed by a review and approval period before Nellis can begin the long-awaited transition to privatized housing.

A project of this scope and magnitude takes time because it involves numerous agencies and a multitude of details. It's critical that the project is handled with care so that the final result is quality privatized housing that we all can be proud of.

This issue of *Straight Talk* features an expanded "Question of the Month" to address many of the questions we have received. In addition, the "Center Stage" section addresses how Basic Allowance for Housing (BAH) will work with privatized housing.

## Tentative Timetable

The target closing date for Housing Privatization has been delayed. A new timetable will be published as more information becomes available.

Evaluate Developers' Proposals and Make Selection - TBD

Notify Congress of Award - TBD

Congress Approves Award - TBD



Making the transition to privatized housing takes time, but the end result will be worth it. The photos above show examples of privatized housing built at Robins AFB, GA (left) and Lackland AFB, TX (right).

## Center Stage

### *Understanding Basic Allowance Housing (BAH) with Privatized Housing*

Understanding BAH can be difficult for some people; add privatized housing to the equation, and there is some real confusion. To understand how the housing privatization process will work in regards to rent, a few facts need to be understood.

1. It will be your choice whether to live in privatized housing.
2. With military housing, the Government keeps the member's BAH entitlement and may use it to pay for the construction, renovations, and facilities upkeep. The BAH allotment covers rent and utilities since military housing is not individually metered for utilities.
3. With privatized housing, the developer receives the member's BAH rent allotment from the Government (minus the member's utility allowance once homes are metered).
4. As with military housing, rent payment for privatized housing will be handled by

BAH allotment. This is most convenient for the member, who does not have to physically make rent payments.

5. Privatized housing newly built (and in time, housing that is renovated and privatized) will be metered individually for utilities (electric and/or gas); therefore, the BAH allotment will be adjusted to exclude monies for utilities. Members will receive a utility allowance in their paychecks so they can make utility payments directly, based on usage. If the member uses less than the utility allowance, they pocket the difference. If the member exceeds their utility allowance, they will have an out-of-pocket expense.

The BAH for privatized housing outfitted with utility meters will be allotted to the selected offeror (developer) based on the following formula:

BAH (based on rank) minus 110% of the estimated utility allowance = Rent

For example: If the average utility rate is \$120 a month, the utility allowance would be \$132 (\$120 + \$12 [10%]). Therefore, the BAH for E1-E4 (currently \$775) minus 110% of the estimated utility allowance (\$132) = the BAH rent allotment (\$643). The member will allot the developer \$643

for rent, and the military member would receive a utility allowance of \$132 to pay for their utilities directly.

How does this relate to specific, current housing units?

- Homes in Manch Manor (except for the Senior Officer Quarters [SOQs]) and Old Nellis Terrace will be replaced so utility meters will not be installed. In the interim, the full BAH allotment will cover both rent and utilities.

- New Nellis Terrace homes, the Manch Manor SOQs, and the newly constructed, privatized units will be fitted with utility meters. Residents of the new units will be required to pay utility costs (electricity and gas) directly to the utility provider, so residents will receive a utility allowance.

Previous issues of *Straight Talk* provided more specifics on the BAH and utility formulas. These issues provide a wealth of information, and it's well worth the time it takes to glance through them. They are located on this Web site.

### Questions of the Quarter

Frequently Asked Questions  
about Privatized Housing



#### **Why is it taking so long to be privatized?**

It's true. We have been talking about privatized housing for a while now, and we'll continue

to do so, because we want to keep service members informed. From the early decision to privatize housing at Nellis through each step of the lengthy process, we'll continue to keep you informed.

The privatization of military family housing is a complex operation. The previous issue of *Straight Talk* covered the lengthy process in detail. Read more about it on this Web site.

#### **Will current housing residents be notified in advance of any changes in housing policy?**

Yes. Once the selected offeror is selected and approved by Congress, the Privatization Management Office (PMO) will host a series of town hall meetings to introduce the developer's team and explain any new policies.

#### **How can I break my lease?**

As with present military housing, the member must reside in base housing for a minimum of one year. PCSs, separations, and other conditions that make members ineligible for family housing are the exceptions to the rule.

The lease agreement, which will be determined by the selected offeror and the Government, will cover this in more detail.

#### **Can I have friends or family stay in my privatized home for as long as I wish?**

The lease agreement, which will be determined by the selected offeror and the Government, will cover this. At the present time, expect all the same rules to apply.

#### **Can I park my boat or RV in my driveway?**

The lease agreement, which will be determined by the selected offeror and the Government, will cover this. At the present time, expect all the same rules to apply.

#### **What will the developer's pet policy be?**

At this point in time, we don't know what the exact pet policy will be. The details will be worked out between Nellis AFB and the selected developer. Since the housing areas will belong to the developer, there may be changes in the existing pet policy. However, until the new policy is established, the existing pet policy will remain in effect.

#### **If I go on a remote tour, can my family reside in privatized housing until my return?**

The current policy regarding members on remote tours will apply.

#### **What will happen to the existing housing office and services?**

The existing Nellis Family Housing Management Office will remain, but with a different role: To handle referrals and to qualify military members for privatized housing.

The selected offeror will operate a housing management office and will assume most all other functions performed by the current housing office. Our goal is to work closely with the developer to make the transition to privatized housing as smooth as possible and to ensure that current family housing residents and those on the waiting list receive quality service.

#### **How will current residents know when all this is going to occur?**

Once Congress approves the selection of the developer for the Nellis project, the selected offeror will begin an aggressive public communications plan. Housing residents will receive letters detailing the timetable for the transition to privatized housing. In addition, there will be town hall meetings, articles in the base newspaper and other media outlets, and information posted on this Web site.

#### **If I'm deployed, will my spouse be able to sign the lease and set up the allotment?**

As part of any deployment package, the deploying individual should already have a power of attorney for their spouse, to include the spouse's ability to start and stop allotments. If you haven't taken care of this, it would be wise to do so. Faxing forms to distant locations for signatures is one less problem to deal with while deployed.

#### **What if we don't want to stay in privatized housing?**

It's entirely your choice to reside in privatized housing. Those who choose not to live in privatized housing will be moved off base at the expense of the Government or selected offeror.

**Readers are encouraged to submit questions to:**

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